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ABSTRACT

This report presents the text, background, and analysis of proposed amendments to the Indian Education Act of 1972. The amendments reauthorize the Indian Education Act, revise existing law to improve administration of Bureau of Indian Affairs (BIA) education programs, and incorporate school reform legislation enacted in Goals 2000 (the Educate America Act). The Indian Education Act funds 185 BIA-operated or tribally operated schools and dormitories on 63 American Indian reservations; supplemental programs for Indian children in over 1,200 public school districts; and competitive grants to support planning, demonstration projects, fellowships and professional development for Indians, and agency administrative budgets. While reauthorizing formula grants for supplemental programs, the amendments specify minimums for program enrollment and funding; require applicants to provide a comprehensive plan covering objectives, coordination of funds, teacher training, student evaluation, and dissemination of assessment results to parents; and require the school district to assess Indian student needs. The amendments also reauthorize the six Indian Education Technical Assistance Centers, provide educational planning grants to tribal governments, provide for revision of BIA education standards to reflect community goals, authorize new funding for Indian and Alaska Native language instruction, address the enormous backlog of needs for school construction, and change criteria for investment of endowment funds of the tribally controlled community colleges. Includes a Congressional Budget Office cost estimate. (SV)

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103D CONGRESS
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SENATE

REPORT
103–314

ED 372 902

INDIAN EDUCATION AMENDMENTS

JULY 15 (legislative day, JULY 11), 1994.—Ordered to be printed

Mr. INOUYE, from the Committee on Indian Affairs, submitted the following

REPORT

INTRODUCTION

The Indian education amendments to be proposed to S. 1513 (Calendar No. 495) would (1) reauthorize the Indian Education Act, an Act that authorizes the Department of Education to make grants to school districts to enable them to provide supplemental programs for Indian children and in other ways to enhance achievement among Indian learners, and (2) revise existing law governing the Department of Interior's Bureau of Indian Affairs education programs, largely to improve the administration of those programs. Amendments affecting both the Department of Education and the Department of Interior incorporate school reform legislation enacted in 1993, GOALS 2000, the Educate America Act (P.L. 103–227).

The amendments follow:

"TITLE VI—INDIAN EDUCATION

"SEC. 6001. FINDINGS.

"The Congress finds that—

"(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

"(A) are based on high-quality, internationally competitive content standards and student performance standards and build on Indian culture and the Indian community;

"(B) assist local educational agencies, Indian tribes, and other entities and individuals in pro-

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viding Indian students the opportunity to achieve such standards; and

"(C) meet the special educational and culturally related academic needs of American Indian and Alaska Native students;

"(2) since the date of enactment of the initial Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

"(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

"(4) the dropout rate for Indian students is unacceptably high, for example, nine percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

"(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

"(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

"SEC. 6002. PURPOSE.

"(a) PURPOSE.—It is the purpose of this title to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the special educational and culturally related academic needs of American Indians and Alaska Natives, so that such students can achieve to the same challenging State performance standards expected of all students.

"(b) PROGRAMS.—This title carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

"(1) meeting the special educational and culturally related academic needs of American Indians and Alaska Natives;

"(2) the education of Indian children and adults;

"(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

"(4) research, evaluation, data collection, and technical assistance.

"PART A—FORMULA GRANTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 6101. PURPOSE.

"It is the purpose of this part to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that such programs—

"(1) are based on challenging State content standards and State student performance standards that are used for all students; and

"(2) are designed to assist Indian students meet those standards and assist the Nation in reaching the National Education Goals.

"SEC. 6102. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) IN GENERAL.—A local educational agency shall be eligible for a grant under this part for any fiscal year if the number of Indian children who are eligible under section 6106 and were enrolled in the schools of such agency and to whom the agency provided a free public education, during the preceding fiscal year—

"(1) was at least 10; or

"(2) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

"(b) INDIAN TRIBES.—If a local educational agency that is eligible for a grant under this part does not apply for such grant, an Indian tribe that has children who are served by such local educational agency may apply for such grant.

"SEC. 6103. AMOUNT OF GRANTS.

"(a) AMOUNT OF GRANT AWARDS.—

"(1) IN GENERAL.—Except as provided in subsection (b) and paragraph (2), the Secretary shall allocate to each local educational agency with respect to which the Secretary has approved an application under this part an amount equal to the product of—

"(A) the number of Indian children who are eligible under section 6106 and served by such agency; and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which such agency is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) REDUCTION.—The Secretary shall reduce the amount of each allocation determined under paragraph (1) in accordance with subsection (e).

"(b) MINIMUM GRANT.—A local educational agency or an Indian tribe (as authorized under section 6102(b)) that is eligible for a grant under section 6102, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (d), that submits an application that is approved by the Secretary,

shall, subject to appropriations, receive a grant under this part in an amount that is not less than $4,000.

"(c) DEFINITION.—For the purpose of this section, the average per-pupil expenditure of a State shall be an amount equal to—

"(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

"(2) the aggregate number of children who were included in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

"(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—

"(1) IN GENERAL.—In addition to the grants awarded under subsection (a), and subject to paragraph (2), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

"(A) the total number of Indian children enrolled in schools that are operated by—

"(i) the Bureau of Indian Affairs; or

"(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of such tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988 (part B of title V of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988); and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which the school is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) TRANSFER.— The Secretary shall transfer the amount determined under paragraph (1), subject to any reduction that may be necessary under subsection (e), to the Secretary of the Interior in accordance with, and subject to, section 10205.

"(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 6602(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

"SEC. 6104. APPLICATIONS.

"(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

"(1) provides programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

"(2)(A) is consistent with, and promotes the goals of each applicable State or local improvement plan that has been approved or is being developed, under title III of the Goals 2000: Educate America Act, or if such plans described are not approved or are not being developed, applicable State and local plans developed under sections 1111 and 1112; and

"(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards adopted under title III of the Goals 2000: Educate America Act or under title I for all children;

"(3) explains how Federal, State, and local programs, especially programs under title I, will meet the needs of such children;

"(4) demonstrates how funds made available under this part will be used for activities described in section 6105;

"(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

"(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

"(B) all teachers who will be involved in the program assisted under this part have been properly trained to carry out such program; and

"(6) describes how the local educational agency—

"(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this part, in meeting the goals described in paragraph (2);

"(B) will provide the results of each assessment referred to in subparagraph (A) to—

"(i) the committee of parents described in subsection (c)(4); and

"(ii) the community served by the local educational agency; and

"(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

"(c) ASSURANCES.—Each application submitted under subparagraph (a) shall include assurances that—

"(1) the local educational agency will use funds received under this part only to supplement the level of funds that, in the absence of the Federal funds made available under this part, such agency would make available for the education of Indian children, and not to supplant such funds;

"(2) the local educational agency will submit such reports to the Secretary, in such form and containing such information, as the Secretary may require to—

"(A) carry out the functions of the Secretary under this part; and

"(B) determine the extent to which funds provided to the local educational agency under this part are effective in improving the educational achievement of Indian students served by such agency;

"(3) the program for which assistance is sought—

"(A) is based on a local assessment and prioritization of the special educational and culturally related academic needs of the American Indian and Alaska Native students for whom the local educational agency is providing an education;

"(B) will use the best available talents and resources, including individuals from the Indian community; and

"(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including public hearings held by such agency to provide the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

"(4) the local educational agency developed the program with the participation and written approval of a committee—

"(A) that is composed of, and selected by—

"(i) Indian parents of Indian children in the schools of the local educational agency, and teachers; and

"(ii) if appropriate, Indian students attending secondary schools;

"(B) the membership of which is at least three-fourths Indian parents of Indian children;

"(C) that sets forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the pro-

gram for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

"(D) with respect to an application describing a schoolwide program in accordance with section 6105(c), has—

"(i) reviewed the program; and

"(ii) determined that the program will not diminish the availability of culturally related activities for American Indians and Alaskan Native students; and

"(E) has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

"SEC. 6105. AUTHORIZED SERVICES AND ACTIVITIES.

"(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this part shall use the grant funds, in a manner consistent with the purpose specified in section 6101, for services and activities that—

"(1) are designed to carry out the comprehensive plan of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 6104(b);

"(2) are designed with special regard for the language and cultural needs of the Indian students; and

"(3) supplement and enrich the regular school program of such agency.

"(b) PARTICULAR ACTIVITIES.—The services and activities referred to in subsection (a) may include—

"(1) culturally related activities that support the program described in the application submitted by the local educational agency;

"(2) early childhood and family programs that emphasize school readiness;

"(3) enrichment programs that focus on problem-solving and cognitive skills development and directly support the attainment of challenging State content standards and State student performance standards;

"(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

"(5) school-to-work transition activities to enable Indian students to participate in programs such as the programs supported by the School-to-Work Opportunities Act of 1994 and the Carl D. Perkins Vocational and Applied Technology Education Act, including programs for technical preparation, mentoring, and apprenticeship;

"(6) activities to educate individuals concerning substance abuse and to prevent substance abuse; and

"(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purpose described in section 6101.

"(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of law, a local educational agency may use funds made available to the agency under this part to support a schoolwide program under section 1114 if—

"(1) at least 50 percent of the enrollment of the school that is the subject of the schoolwide program is comprised of Indian children;

"(2) the committee composed of parents established pursuant to section 6104(c)(4) approves the use of the funds for the schoolwide program; and

"(3) the schoolwide program is consistent with the purpose described in section 6101.

"SEC. 6106. STUDENT ELIGIBILITY AND FORMS.

"(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this part, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this part and that otherwise meets the requirements of subsection (b).

"(b) FORMS.—

"(1) IN GENERAL.—The form described in subsection (a) shall include—

"(A) either—

"(i)(I) the name of the tribe or band of Indians (as defined in section 6601(4)) with respect to which the child claims membership;

"(II) the enrollment number establishing the membership of the child (if readily available); and

"(III) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

"(ii) if the child is not a member of a tribe or band of Indians, the name, the enrollment number (if readily available), and the organization (and address thereof) responsible for maintaining updated and accurate membership rolls of any parent or grandparent of the child from whom the child claims eligibility;

"(B) a statement of whether the tribe or band of Indians with respect to which the child, parent or grandparent of the child claims membership is federally recognized;

"(C) the name and address of the parent or legal guardian of the child;

"(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

"(E) any other information that the Secretary considers necessary to provide an accurate program profile.

"(2) MINIMUM INFORMATION.—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under section 6103, an eligibility form prepared pursuant to this section for a child shall include—

"(A) the name of the child;

"(B) the name of the tribe or band of Indians (as defined in section 6601(4)) with respect to which the child claims eligibility; and

"(C) the dated signature of the parent or guardian of the child.

"(3) FAILURE.—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child for the purposes of determining the amount of a grant award made under section 6103.

"(c) STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to affect a definition contained in section 6601.

"(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–1986 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

"(1) to establish such eligibility; and

"(2) to meet the requirements of subsection (a).

"(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant under section 6103, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe, band, or group. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

"(f) MONITORING AND EVALUATION REVIEW.—

"(1) IN GENERAL.—(A) For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this part, the Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this part. The sampling conducted under this subparagraph shall take into account size of the local educational agency and the geographic location of such agency.

"(B) Notwithstanding any other provision of law, a local educational agency may not be held liable to the United States or be subject to any penalty, by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

"(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

"(A) be ineligible to apply for any other grant under this part; and

"(B) be liable to the United States for any funds provided to the local educational agency that have not been expended.

"(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (d) shall not be counted for the purpose of computing the amount of a grant under section 6103.

"(g) DISTRIBUTION.—For the purposes of the distribution of funds under this part to schools that receive funding from the Bureau of Indian Affairs pursuant to—

"(1) section 1130 of the Education Amendments of 1978; and

"(2) the Act of April 16, 1934 (48 Stat. 596, chapter 147),

the Secretary shall, in lieu of meeting the requirements of this section for counting Indian children, use a count of the number of students in such schools certified by the Bureau of Indian Affairs.

"SEC. 6107. PAYMENTS.

"(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this part the amount determined under section 6103. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

"(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this part to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this part (or under subpart 1 of the Indian Education Act of 1988) in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

"(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

"(1) IN GENERAL.—The Secretary may not pay a local educational agency the full amount of a grant award determined under section 6103 for any fiscal year un-

less the State educational agency notifies the Secretary, and the Secretary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, the combined fiscal effort of the local educational agency, computed on either a per student or aggregate expenditure basis was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

"(2) FAILURE.—If, for any fiscal year, the Secretary determines that a local educational agency failed to maintain the fiscal effort of such agency at the level specified in paragraph (1), the Secretary shall—

"(A) reduce the amount of the grant that would otherwise be made to the agency under this part in the exact proportion of such agency's failure to maintain its fiscal effort at such level; and

"(B) not use the reduced amount of the agency's expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

"(3) WAIVER.—(A) The Secretary may waive the requirement of paragraph (1), for not more than one year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

"(B) The Secretary shall not use the reduced amount of such agency's expenditures for the fiscal year preceding the fiscal year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

"(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this part, any amounts that—

"(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this part; or

"(2) otherwise become available for reallocation under this part.

"PART B—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

"SEC. 6201. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

"(a) PURPOSE.—

"(1) IN GENERAL.—It is the purpose of this section to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

"(2) COORDINATION.—The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this part with—

"(A) other programs funded under this Act; and

"(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

"(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary and secondary school for Indian students, Indian institution, including an Indian institution of higher education, or a consortium of such institutions.

"(c) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

"(A) innovative programs related to the educational needs of educationally deprived children;

"(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in one or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

"(C) bilingual and bicultural programs and projects;

"(D) special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

"(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation;

"(F) comprehensive guidance, counseling, and testing services;

"(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

"(H) partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary school to postsecondary education;

"(I) partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills the youth need to make an effective transition from school to a first job in a high-skill, high-wage career;

"(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education; and

"(K) other services that meet the purpose described in subsection (a)(1).

"(2) PRESERVICE OR INSERVICE TRAINING.—Preservice or inservice training of professional and paraprofessional personnel may be a part of any program assisted under this section.

"(d) GRANT REQUIREMENTS AND APPLICATIONS.—

"(1) GRANT REQUIREMENTS.—(A) The Secretary may make multiyear grants under this section for the planning, development, pilot operation, or demonstration of any activity described in subsection (c) for a period not to exceed 5 years.

"(B) In making multiyear grants under this section, the Secretary shall give priority to applications that present a plan for combining two or more of the activities described in subsection (c) over a period of more than 1 year.

"(C) The Secretary shall make a grant payment to an eligible entity after the initial year of the multiyear grant only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (2) and any subsequent modifications to such application.

"(D)(i) In addition to awarding the multiyear grants described in subparagraph (A), the Secretary may award grants to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

"(ii) The Secretary may award a dissemination grant under this subparagraph if, prior to awarding the grant, the Secretary determines that the material or

program to be disseminated has been adequately reviewed and has a demonstrated—

"(I) educational merit; and

"(II) the ability to be replicated.

"(2) APPLICATION.—(A) Any eligible entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(B) Each application submitted to the Secretary under subparagraph (A) shall contain—

"(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

"(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section; and

"(iii) such other assurances and information as the Secretary may reasonably require.

"SEC. 6202. PROFESSIONAL DEVELOPMENT.

"(a) PURPOSES.—The purposes of this section are—

"(1) to increase the number of qualified Indian individuals in professions that serve Indian people;

"(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

"(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

"(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means—

"(1) an institution of higher education, including an Indian institution of higher education;

"(2) a State or local educational agency, in consortium with an institution of higher education; and

"(3) an Indian tribe or organization, in consortium with an institution of higher education.

"(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities having applications approved under this section to enable such entities to carry out the activities described in subsection (d).

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Grant funds under this section shall be used to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include continuing programs, symposia, workshops, conferences, and direct financial support.

"(2) SPECIAL RULES.—(A) For education personnel, the training received pursuant to a grant under this section may be inservice or preservice training.

"(B) For individuals who are being trained to enter any field other than education, the training received pursuant to a grant under this section shall be in a program that results in a graduate degree.

"(e) APPLICATION.—

"(1) IN GENERAL.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information, as the Secretary may reasonably require.

"(2) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to applications describing programs that train Indian individuals.

"(f) SPECIAL RULE.—In making grants under this section, the Secretary—

"(1) shall consider the prior performance of the eligible entity; and

"(2) may not limit eligibility to receive a grant under this section on the basis of—

"(A) the number of previous grants the Secretary has awarded such entity; or

"(B) the length of any period during which such entity received such grants.

"(g) GRANT PERIOD.—Each grant under this section shall be awarded for a program of not more than 5 years.

"(h) SERVICE OBLIGATION.—

"(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives training pursuant to a grant made under this section—

"(A) perform work—

"(i) related to the training received under this section; and

"(ii) that benefits Indian people; or

"(B) repay all or a prorated part of the assistance received.

"(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a grant recipient under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

"SEC. 6203. FELLOWSHIPS FOR INDIAN STUDENTS.

"(a) FELLOWSHIPS.—

"(1) AUTHORITY.—The Secretary shall award fellowships to Indian students to enable such students to study in graduate and professional programs at institutions of higher education.

"(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

"(A) of not more than 4 academic years; and

"(B) that leads—

"(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, and related fields; or

"(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.

"(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

"(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which the holder of a fellowship is pursuing a course of study, such amount as the Secretary determines to be necessary to cover the cost of education provided the fellowship recipient.

"(d) SPECIAL RULES.—

"(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the fellowship.

"(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

"(A) the amount of the fellowship; and

"(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

"(3) PRIORITY.—In awarding fellowships under subsection (a), the Secretary shall give priority to awarding not more than 10 percent of such fellowships to Indian students who are receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

"(e) SERVICE OBLIGATION.—

"(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

"(A) perform work—

"(i) related to the training for which the individual receives assistance under this section; and

"(ii) that benefits Indian people; or

"(B) repay all or a prorated portion of such assistance.

"(2) REPORTING PROCEDURE.—The Secretary shall establish, by regulation, a reporting procedure under which the recipient of training assistance under this section, not later than 12 months after the date of

completion of the training and periodically thereafter, shall provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

"(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

"SEC. 6204. GIFTED AND TALENTED.

"(a) PROGRAM AUTHORIZED.—The Secretary shall—

"(1) establish two centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

"(2) support demonstration projects described in subsection (c).

"(b) ELIGIBLE ENTITIES.—The Secretary shall make grants to, or enter into contracts, for the activities described in subsection (a), with—

"(1) two tribally controlled community colleges that—

"(A) are eligible for funding under the Tribally Controlled Community College Assistance Act of 1978; and

"(B) are accredited by a State or regional accrediting agency or organization; or

"(2) if the Secretary does not receive applications that the Secretary determines to be approvable from two colleges that meet the requirements of paragraph (1), the American Indian Higher Education Consortium.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—The grants made, or contracts entered into, by the Secretary under subsection (a) shall be used for—

"(A) the establishment of centers described in subsection (a); and

"(B) carrying out demonstration projects designed to—

"(i) address the special needs of Indian students in elementary and secondary schools who are gifted and talented; and

"(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

"(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (a) may enter into a contract with any other entity, including the Children's Television Workshop, to carry out the demonstration project under this subsection.

"(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (a) may include—

"(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

"(i) the emotional and psychosocial needs of such students; and

"(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the project;

"(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines holds a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including—

"(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

"(ii) mentoring and apprenticeship programs;

"(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

"(D) the use of public television in meeting the special educational needs of such gifted and talented children;

"(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

"(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children that are needed to enable such children to benefit from the project.

"(4) APPLICATION.—Each entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

"(d) ADDITIONAL GRANTS.—

"(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (hereafter in this section referred to as 'Bureau schools') for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

"(A) gifted and talented students;

"(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

"(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

"(D) mathematics and science education.

"(2) APPLICATIONS.—Each Bureau school desiring a grant under this subsection shall submit an application to the Secretary in such form and at such time as the Secretary may prescribe.

"(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

"(4) REQUIREMENTS.—(A) In awarding grants under paragraph (1), the Secretary shall—

"(i) achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection; and

"(ii) ensure that, for the purposes of this section and section 1128(d)(3)(A)(i) of the Education Amendments of 1978, a definition of the term 'gifted and talented student' is developed as soon as practicable after the date of enactment of the Improving America's Schools Act of 1994.

"(B) The Secretary shall report to the Secretary of the Interior and to the Congress a definition of 'gifted and talented' based on the requirements of subparagraph (A)(ii).

"(5) GRANT PERIOD.—Subject to the availability of appropriations, grants under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for additional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

"(6) DISSEMINATION.—The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

"(7) EVALUATION COSTS.—(A) The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under such subsection.

"(B) If no funds are provided under subsection (b) for—

"(i) the evaluation of activities assisted under paragraph (1);

"(ii) technical assistance and coordination with respect to such activities; or

"(iii) the dissemination of the evaluations referred to in clause (i),

then the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

"(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community of the United States.

"SEC. 6205. GRANTS FOR EVALUATION AND TECHNICAL ASSISTANCE.

"(a) IN GENERAL.—The Secretary may award grants to, and enter into contracts with, public agencies, State educational agencies in States in which more than 5,000 Indian children are enrolled in public elementary and secondary schools, Indian tribes, Indian institutions, Indian organizations, and private institutions and organizations, to establish, on a regional basis, information centers that shall—

"(1) evaluate programs that receive assistance under this title and evaluate other Indian education programs in order to—

"(A) determine the effectiveness of the programs in meeting the special educational and culturally related academic needs of Indian children and adults; and

"(B) conduct research to determine the needs described in subparagraph (A);

"(2) provide technical assistance in the form of materials and personnel resources, upon request, to local educational agencies and Indian tribes, Indian organizations, Indian institutions, and committees described in section 6104(c)(4) in evaluating and carrying out activities assisted under this title; and

"(3) disseminate information, upon request, to the entities described in paragraph (1) concerning all Federal education programs that affect the education of Indian children and adults, including information concerning successful models and programs designed to meet the special educational needs of Indian children.

"(b) PERIOD OF GRANT OR CONTRACT.—Each grant or contract under this section may be for a period of not more than 3 years, and may be renewed for an additional 3-year period if the Secretary annually reviews the performance of the grant recipient and determines that satisfactory progress has been made.

"(c) USE OF FUNDS.—The Secretary may award grants and enter into contracts with Indian tribes, institutions,

and organizations, and public agencies and institutions for—

"(1) the dissemination, on a national basis, of information concerning education programs, services, and resources available to Indian children and adults, including evaluations of such programs, services, and resources; and

"(2) the evaluation of the effectiveness of federally assisted programs in which Indian children and adults may participate in achieving the purposes of such programs relating to Indian children and adults.

"(d) STATE AGENCY GRANTS AND CONTRACTS.—The Secretary shall award not more than 15 percent of the funds appropriated under subsection (g) for each fiscal year to State educational agencies.

"(e) APPLICATION.—

"(1) IN GENERAL.—Each entity desiring assistance under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) PRIORITY.—In approving applications under this section, the Secretary shall give priority to Indian educational agencies, organizations, and institutions.

"(3) APPROVAL.—The Secretary may approve an application under this section, only if the Secretary determines that the funds made available under this section will be used to supplement the level of funds from State, local, and other Federal sources that would, in the absence of Federal funds provided under this section, be made available by the State or local educational agency for the activities described in this section, and in no case will be used to supplant such funds.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education $8,000,000 for each of the fiscal years 1995 through 1999 to carry out this section.

"SEC. 6206. GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT.

"(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

"(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

"(2) develop education codes for schools within the territorial jurisdiction of the tribe;

"(3) provide support services and technical assistance to schools serving children of the tribe; and

"(4) perform child-find screening services for the preschool-aged children of the tribe to—

"(A) ensure placement in appropriate educational facilities; and

"(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

"(b) PERIOD OF GRANT.—Each grant under this section may be awarded for a period of not more than 3 years, except that such grant may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

"(c) APPLICATION FOR GRANT.—

"(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

"(2) CONTENTS.—Each application described in paragraph (1) shall contain—

"(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

"(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether such objectives are achieved.

"(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this section only if the Secretary is satisfied that such application, including any documentation submitted with the application—

"(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

"(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

"(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education $3,000,000 for each of the fiscal years 1995 through 1999 to carry out this section.

"PART C—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS

"SEC. 6301. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

"(a) IN GENERAL.—The Secretary shall award grants to State and local educational agencies, and to Indian tribes, institutions, and organizations—

"(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

"(2) to assist in the establishment and operation of programs that are designed to stimulate—

"(A) basic literacy opportunities for all nonliterate Indian adults; and

"(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

"(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

"(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

"(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

"(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

"(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

"(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

"(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

"(d) APPLICATIONS.—

"(1) IN GENERAL.—Each entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, containing

such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

"(2) CONTENTS.—Each application described in paragraph (1) shall contain—

"(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

"(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant are achieved.

"(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary determines that such application, including any documentation submitted with the application, indicates—

"(A) there has been adequate participation, by the individuals to be served and appropriate tribal communities, in the planning and development of the activities to be assisted; and

"(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

"(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

"PART D—NATIONAL RESEARCH ACTIVITIES

"SEC. 6401. NATIONAL ACTIVITIES.

"(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 6602(b) for each fiscal year to—

"(1) conduct research related to effective approaches for the education of Indian children and adults;

"(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

"(3) collect and analyze data on the educational status and needs of Indians; and

"(4) carry out other activities that are consistent with the purpose of this title.

"(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

"(c) COORDINATION.—Research activities supported under this section—

"(1) shall be carried out in consultation with the Assistant Secretary for Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office of Educational Research and Improvement; and

"(2) may include collaborative research activities that are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

"PART E—FEDERAL ADMINISTRATION

"SEC. 6501. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

"(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (hereafter in this section referred to as the 'Council'), which shall—

"(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations; and

"(2) represent different geographic areas of the United States.

"(b) DUTIES.—The Council shall—

"(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this title—

"(A) with respect to which the Secretary has jurisdiction; and

"(B)(i) that includes Indian children or adults as participants; or

"(ii) that may benefit Indian children or adults;

"(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

"(3) submit to the Congress, not later than June 30 of each year, a report on the activities of the Council, including—

"(A) any recommendations that the Council considers appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

"(B) recommendations concerning the funding of any program described in subparagraph (A).

"SEC. 6502. PEER REVIEW.

"The Secretary may use a peer review process to review applications submitted to the Secretary under part B, C, or D.

"SEC. 6503. PREFERENCE FOR INDIAN APPLICANTS.

"In making grants under part B, C, or D, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants.

"SEC. 6504. MINIMUM GRANT CRITERIA.

"The Secretary may not approve an application for a grant under part B or C unless the application is for a grant that is—

"(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant; and

"(2) based on relevant research findings.

"PART F—DEFINITIONS; AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 6601. DEFINITIONS.

"As used in this title:

"(1) ADULT.—The term 'adult' means an individual who—

"(A) has attained the age of 16 years; or

"(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

"(2) ADULT EDUCATION.—The term 'adult education' has the meaning given such term in section 312(2) of the Adult Education Act.

"(3) FREE PUBLIC EDUCATION.—The term 'free public education' means education that is—

"(A) provided at public expense, under public supervision and direction, and without tuition charge; and

"(B) provided as elementary or secondary education in the applicable State or to preschool children.

"(4) INDIAN.—The term 'Indian' means an individual who is—

"(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

"(i) any tribe or band terminated since 1940; and

"(ii) any tribe or band recognized by the State in which the tribe or band resides;

"(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

"(C) considered by the Secretary of the Interior to be an Indian for any purpose;

"(D) an Eskimo, Aleut, or other Alaska Native; or

"(E) a member of an organized Indian group that received a grant under this title prior to the

date of enactment of the Act entitled the 'Improving America's Schools Act of 1994'.

"SEC. 6602. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) PART A.—For the purpose of carrying out part A of this title, there are authorized to be appropriated to the Department of Education $61,300,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(b) PARTS B THROUGH D.—For the purpose of carrying out parts B, C, and D of this title, there are authorized to be appropriated to the Department of Education $31,925,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(c) PART E.—For the purpose of carrying out part E of this title, there are authorized to be appropriated to the Department of Education $3,775,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"SEC. 6603. CROSS REFERENCES.

"The Tribally Controlled Schools Act of 1988 is amended—

"(1) in subparagraph (C) of section 5204(a)(3) (20 U.S.C. 2503(a)(3)(C)), by striking "chapter 1 of"; and

"(2) in section 5205 (20 U.S.C. 2504)—

"(A) in subsection (a)(3), by striking "chapter 1 of"; and

"(B) in subsection (b)—

"(i) in paragraph (2), by striking "chapter 1 of"; and

"(ii) in paragraph (3)(A), by striking "chapter 1 of".

On page 1357, after line 25, insert the following:

PART ___—AMENDMENT TO DEPARTMENT OF EDUCATION ORGANIZATION ACT AND REPEAL OF INDIAN EDUCATION ACT

SEC. ___1. OFFICE OF INDIAN EDUCATION.

Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) (as amended by section 271) is further amended by adding at the end the following new section:

"OFFICE OF INDIAN EDUCATION

"SEC. 217. (a) There shall be in the Department an Office of Indian Education (hereafter in this section referred to as the 'Office').

"(b)(1) The Office shall be headed by a Director of Indian Education (hereafter in this section referred to as the 'Director') who shall—

"(A) be appointed by the Secretary; and

"(B) report directly to the Assistant Secretary for Elementary and Secondary Education.

"(2) The Director shall—

"(A) be responsible for administering title VI of the Elementary and Secondary Education Act of 1965;

"(B) be involved in, and be primarily responsible for, the development of all policies affecting Indian children and adults under programs administered by the Office;

"(C) coordinate the development of policy and practice for all programs in the Department relating to Indian persons; and

"(D) assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to the education of Indian persons.

"(3) The Director shall be a career appointee in the Senior Executive Service, and shall be paid at a level determined by the Secretary.

"(c)(1) The Secretary shall give preference to Indian individuals with respect to all personnel actions of the Office.

"(2) Such preference shall be implemented in the same fashion as the preference given to any Indian under section 2609 of the Revised Statutes (25 U.S.C. 45).".

SEC. ___2. INDIAN EDUCATION ACT OF 1988.

The Indian Education Act of 1988 (25 U.S.C. 2601 note) is repealed.

PART ____—BUREAU OF INDIAN AFFAIRS

SEC. ___1. GOALS 2000: EDUCATE AMERICA ACT.

(a) ASSISTANCE TO THE SECRETARY OF THE INTERIOR.—Section 315 of the Goals 2000: Educate America Act is amended—

(1) by amending subsection (c) to read as follows:

"(c) BUREAU OF INDIAN AFFAIRS COST ANALYSIS AND STUDIES.—

"(1) IN GENERAL.—The Secretary of the Interior shall reserve from the funds received pursuant to section 304(a)(1)(B) in the first and second fiscal year for which the Secretary of the Interior receives such funds an amount not to exceed $500,000 for each such year to provide, through a contract executed, after open solicitation, with an organization or institution having extensive experience in school finance, for an analysis of—

"(A) the costs associated with meeting the academic, home-living, and residential standards of the Bureau for each Bureau funded school and annual projections of such costs; and

"(B) the feasibility and desirability of changing the method of financing for Bureau funded schools from the weighted student unit formula method in

effect on the date of enactment of this Act to a school-based budget system or other alternative system of financial support.

"(2) COST ANALYSIS PURPOSE.—The purpose of the cost analysis provided for in paragraph (1)(A) shall be to provide the Bureau and the panel described in subsection (b)(4) with baseline data regarding the current state of operations funded by the Bureau and to provide a framework for the implementation of opportunity-to-learn standards. Such analysis shall evaluate the costs of providing a program in each school operated or supported by the Bureau for the next succeeding academic year and shall be based on—

"(A) the standards either published in the Federal Register and effective for schools funded by the Bureau on the date of enactment of this Act, or the State or regional standards in effect on such date for a Bureau-funded school;

"(B) the best projections of student counts and demographics as provided by the Bureau and as independently reviewed by the organization or institution selected by the Secretary to perform the analysis described in this section; and

"(C) the pay and benefit schedules and other personnel requirements for each school operated by the Bureau, as such pay and benefit schedules and requirements existed on the date of enactment of this Act.

"(3) FEASIBILITY STUDY PURPOSE.—(A) The purpose of the feasibility analysis provided for in paragraph (1)(B) shall be to determine whether it is feasible and desirable for the Bureau to replace or modify the weighted student unit formula system in effect on the date of enactment of this Act.

"(B) For the purposes of the feasibility analysis described in paragraph (1)(B), the term 'school-based budget system' means a system based upon an initial determination, at each school site, of the number of students who shall be served at the site, the needs of those students, the standards which will best meet those needs (including any standards or conditions reflecting local community input and such community's program), the personnel profile necessary to establish such program and the cost (determined on an actual basis) of funding such a program. Such a system shall include procedures to aggregate the determinations for each school site to determine the amount needed to fund all Bureau funded schools, to prepare a budget submission based upon such aggregate, and to provide for a mechanism for distributing such sums as may be appropriated based upon the determination at each school site.

"(4) RESULTS REPORT.—The contractor selected shall be required to report the results of analyses provided

for in this section, in aggregate and school-specific form to the chairpersons and ranking minority members of the Committee on Education and Labor and the Committee on Appropriations of the House of Representatives and the Committee on the Indian Affairs and the Committee on Appropriations of the Senate, and to the Secretary of the Interior, not later than six months after the date of enactment of the Improving America's Schools Act of 1994. The contractor shall also be required to provide an estimate of the costs of meeting the academic and residential standards of the Bureau for each Bureau funded school for each of the three succeeding forward-funded fiscal years following the date of submission of such report. The contractor shall provide an estimate of such costs to such persons and members not later than January 1 of each succeeding fiscal year."; and

(2) by adding at the end the following new subsections:

"(e) GRANTS.—The Secretary of the Interior may use not more than one percent of the funds received pursuant to section 304(a)(1)(B) in the first and second fiscal year for which the Secretary of the Interior receives such funds for the purpose of providing grants, if requested by Bureau funded school boards, to enable such school boards to carry out activities of reform planning as such activities are described for States in section 308(b)(2)(J), or to evaluate the feasibility of becoming a contract school pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), or a grant school pursuant to the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988.

"(f) STUDY.—In cooperation with the panel established in subsection (b)(4), the Secretary of the Interior shall conduct a study to evaluate the feasibility of contracting with a private management firm for the operation of one or more Bureau operated schools to facilitate the achievement of the National Education Goals and the efficient use of funds in the education of Indian children, and to report to the persons identified in subsection (c)(4) and to the panel described in subsection (b)(4) not later than 12 months after the date of enactment of the Improving America's Schools Act of 1994.".

(b) SYSTEMIC TECHNOLOGY PLANNING.—Subsection (b) of section 317 of the Goals 2000: Educate America Act is amended by adding at the end the following new paragraph:

"(3) SECRETARY OF THE INTERIOR.—From the amount appropriated pursuant to the authority of subsection (f) in each fiscal year, the Secretary shall reserve $75,000 for the Secretary of the Interior to enable the Secretary of the Interior to conduct, directly or through a contract, systemic technology planning for the outlying areas and Bureau funded schools.".

SEC. ___2. TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.

(a) NEW CONSTRUCTION.—The second sentence of paragraph (4) of section 5205(b) of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2504(b)(4)) is amended by striking "were received." and inserting "were received, except that a school receiving a grant under this part for facilities improvement and repair may use such grant funds for new construction if the tribal government or other organization provides funding for the new construction equal to at least one-fourth of the total cost of such new construction.".

(b) COMPOSITION OF GRANTS.—Subsection (b) of section 5205 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2504(b)) is further amended by adding at the end the following new paragraph:

"(5) If the Secretary fails to make a determination within 180 days of a request filed by an Indian tribe or tribal organization to include in such tribe or organization's grant the funds described in subsection (a)(2), the Secretary shall be deemed to have approved such request and the Secretary shall immediately amend the grant accordingly. Such tribe or organization may enforce its rights under subsection (a)(2) and this paragraph, including any denial of or failure to act on such tribe or organization's request, pursuant to the disputes authority described in section 5209(e).".

(c) PAYMENTS.—Subsection (a) of section 5208 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507(a)) is amended to read as follows:

"(a) PAYMENTS.—

"(1) Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in 2 payments, of which—

"(A) the first payment shall be made not later than July 1 of each year in an amount equal to one-half of the amount which the grantee was entitled to receive during the preceding academic year; and

"(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made not later than December 1 of each year.

"(2) For any school for which no payment under this part was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made not later than December 1 of the academic year.

"(3) With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to grantees not later than December 1 of the fiscal year.

"(4) The provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.) shall apply to the payments required to be made by paragraphs (1), (2), and (3).

"(5) Paragraphs (1), (2), and (3) shall be subject to any restriction on amounts of payments under this part that are imposed by a continuing resolution or other Act appropriating the funds involved.".

(d) APPLICABILITY.—Subsection (a) of section 5209 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2508(a)) is amended to read as follows:

"(a) CERTAIN PROVISIONS TO APPLY TO GRANTS.—All provisions of section 5, 6, 7, 104, 105(f), 106(f), 109, and 111 of the Indian Self-Determination and Education Assistance Act, except those provisions relating to indirect costs and length of contract, shall apply to grants provided under this part.".

(e) EXCEPTIONS, PROBLEMS, AND DISPUTES.—Subsection (e) of section 5209 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2508(e)) is amended—

(1) by striking "the amount of a grant under section 5205 (and the amount of any funds referred to in that section), and payments to be made under section 5208 of this Act," and inserting "a grant authorized to be made pursuant to this part or any amendment to such grant,";

(2) by striking "the amount of, or payment of, the administrative grant" and inserting "an administrative cost grant"; and

(3) by adding at the end the following new sentence: "The Equal Access to Justice Act shall apply to administrative appeals filed after September 8, 1988, by grantees regarding a grant under this part, including an administrative cost grant.".

SEC. 3. EDUCATION AMENDMENTS OF 1978.

(a) BUREAU OF INDIAN AFFAIRS.—Subsections (a) through (f) of section 1121 of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) are amended to read as follows:

"(a)(1) The purpose of the standards developed under this section shall be to afford Indian students being served by a Bureau funded school with the same opportunities as all other students to achieve the high goals embodied in the Goals 2000: Educate America Act. Consistent with the provisions of this section and section 1131, the Secretary shall take such actions as are necessary to coordinate standards developed and implemented under this section with those in the State plans developed and implemented pursuant to the Goals 2000: Educate America Act for the States in which each Bureau funded school operates. In developing and reviewing such standards and such coordination, the Secretary shall utilize the findings and recommendations of the panel established in section 315(b)(4) of the Goals 2000: Educate America Act.

"(2) The Secretary shall take immediate steps to encourage school boards of Bureau funded schools to engage their communities in adopting declarations of purposes of education in their communities, analyzing the implications of such purposes for their schools, and determining how such purposes may be made to motivate students and faculties and otherwise animate their schools by May 1, 1995. Such declarations shall represent the aspirations of a community for the kinds of persons such community wants its children to increasingly become, and shall include such purposes as assuring that all learners are becoming accomplished in ways important to themselves and respected by their parents and communities, shaping worthwhile and satisfying lives for themselves, exemplifying the best values of the community and humankind, and becoming increasingly effective in shaping the character and quality of the world all learners share.

"(b) Within 18 months of the publication of the voluntary national content standards described in section 213(a) of the Goals 2000: Educate America Act, the Secretary, in consultation with the Secretary of Education and Indian organizations and tribes, shall carry out or cause to be carried out by contract with an Indian organization a review of the standards in effect on the date of enactment of the Improving America's Schools Act of 1994 for the basic education of Indian children attending Bureau funded schools. Such review shall take into account the voluntary national content standards and other factors such as academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

"(c)(1) The Secretary shall revise the minimum academic standards published in the Federal Register on September 9, 1985 (50 Fed. Reg. 174) for the basic education of Indian children based upon the review conducted under subsection (b). The Secretary shall publish such proposed standards in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. The Secretary shall establish final standards, distribute such final standards to all the tribes and publish such final standards in the Federal Register. The Secretary shall revise such final standards periodically as necessary. Prior to any revision of such final standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(2) The standards described in paragraph (1) shall apply to Bureau schools, and subject to subsection (f), to contract and grant schools, and may also serve as a model for educational programs for Indian children in public schools. In establishing and revising such standards, the

Secretary shall take into account the special needs of Indian students and the support and reinforcement of the specific cultural heritage of each tribe.

"(d) The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (c), where necessary, so that the programs of each school shall be in compliance with the minimum standards required for accreditation of schools in the State where the school is located.

"(e) A tribal governing body, or the local school board so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsection (c), where such standards are deemed by such body to be inappropriate. The tribal governing body or designated school board shall, within 60 days thereafter, submit to the Secretary a proposal for alternative standards that take into account the specific needs of the tribe's children. Such revised standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and unreviewable.

"(f) The Secretary, through contracting and grant-making procedures, shall assist school boards of contract and grant schools in the implementation of the standards established under subsections (c) and (d), if the school boards request that such standards, in part or in whole, be implemented. At the request of a contract or grant school board, the Secretary shall provide alternative or modified standards for the standards established under subsections (c) and (d) to take into account the needs of the Indian children and the contract or grant school.".

(b) COUNSELORS FOR BOARDING SCHOOLS AND DORMITORIES.—Subsection (a) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(a)) is amended by adding at the end the following: "Prior to January 1, 1996, the Secretary shall review the formula established under this section and shall take such steps as may be necessary to increase the availability of counseling services for students in off-reservation boarding schools and other Bureau funded residential facilities. Concurrent with such action, the Secretary shall review the standards established under section 1121 to be certain that adequate provision is made for parental notification regarding, and consent for, such counseling services.".

(c) SCHOOL BOARD TRAINING.—Subparagraph (A) of section 1128(c)(2) of the Education Amendments of 1978 (25 U.S.C. 2008(c)(2)(A)) is amended by striking "fiscal year 1986" and inserting "fiscal year 1992, except that the contracts for distribution of such funds shall require that such funds be distributed by the recipient organizations in a manner that assures the same pro rata share is made available for training for each school board in the system.".

(d) FORMULA ADJUSTMENT.—Subsection (c) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(c)) is further amended by adding at the end thereof the following new paragraph:

"(4)(A) The Secretary shall adjust the formula established under subsection (a) to use a weighted unit of 0.25 for each eligible Indian student who is enrolled in a year-long credit course in an Indian or Native language as part of the regular curriculum of a school, in considering the number of eligible Indian students served by such school.

"(B) The adjustment required under subparagraph (A) shall be used for such school after—

"(i) the certification of the Indian or Native language curriculum by the school board of such school to the Secretary, together with an estimate of the number of full-time students expected to be enrolled in the curriculum in the second school year following the school year for which the certification is made; and

"(ii) the funds appropriated for allotment under this section are designated by the appropriations Act appropriating such funds as the amount necessary to implement such adjustment at such school without reducing allotments made under this section to any school by virtue of such adjustment.".

(e) GRANT SCHOOLS.—Paragraph (3) of section 1128(g) of the Education Amendments of 1978 (25 U.S.C. 2008(g)(3)) is amended by inserting "or grant school" after "contract school" each time such term appears.

(f) AVAILABILITY.—Subsection (h) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(h)) is amended by inserting "of a Bureau school" after "board".

(g) SPECIAL RULE.—Section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended by adding at the end the following new subsection:

"(i) Beginning with academic year 1994–1995, tuition for the out-of-State students boarding at the Richfield Dormitory in Richfield, Utah, who attend Sevier County high schools in Richfield, Utah, shall be paid from the Indian school equalization program funds at a rate not to exceed the amount per weighted student unit for that year for the instruction of such students. Such payment shall be in lieu of payments that might otherwise be paid to Bureau funded or public schools on their reservations. No additional administrative cost funds will be added to the grant.".

(h) UNIFORM DIRECT FUNDING AND SUPPORT.—Subsection (a) of section 1129 of the Education Amendments of 1978 (25 U.S.C. 2009(a)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) Within six months after the date of enactment of the Improving America's Schools Act of 1994, the Secretary shall establish, by regulation adopted in accordance with

section 1138, a system for the direct funding and support of all Bureau funded schools. Such system shall allot funds in accordance with section 1128. All amounts appropriated for distribution under this section shall be made available as provided in paragraph (2).";

(2) by striking paragraphs (2) and (3) and inserting the following new paragraph:

"(2)(A) For the purpose of affording adequate notice of funding available pursuant to the allotments made by section 1128, amounts appropriated in an appropriation Act for any fiscal year shall become available for obligation by the affected schools on July 1 of the fiscal year in which such funds are appropriated without further action by the Secretary, and shall remain available for obligation through the succeeding fiscal year.

"(B) The Secretary shall, on the basis of the amount appropriated in accordance with this paragraph—

"(i) publish, on July 1 of the fiscal year for which the funds are appropriated, the allotments to be made under section 1128 to each affected school of 85 percent of such appropriation; and

"(ii) publish, not later than October 30 of such fiscal year, the allotments to be made under section 1128 of the remaining 15 percent of such appropriation, adjusted to reflect actual student attendance.";

(3) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(4) in paragraph (3) (as redesignated by paragraph (3)) by striking "$25,000" and inserting "$35,000".

(i) STUDENT PROJECTS AND MATCHING FUNDS.—Section 1129 of the Education Amendments of 1978 (25 U.S.C. 2009) is amended by adding at the end the following new subsections:

"(g) Notwithstanding any other provision of law, where there is agreement on action between the superintendent and the school board of a Bureau funded school, the product or result of a project conducted in whole or in major part by a student may be given to that student upon the completion of such project.

"(h) Notwithstanding any other provision of law, funds received by a Bureau funded school under this title shall not be considered Federal funds for purposes of meeting a matching funds requirement in any Federal program.".

SEC. ___4. STAFF OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT.

Subsection (f) of section 1509 of the Higher Education Amendments of 1986 (20 U.S.C. 4416(f)) is amended to read as follows:

"(f) APPLICABILITY.—

"(1) This section shall apply to any individual appointed after October 17, 1986, for employment in the Institute. Except as provided in subsection (d) and (g), the enactment of this title shall not affect—

"(A) the continued employment of any individual employed immediately before October 17, 1986; or

"(B) such individual's right to receive the compensation attached to such position.

"(2) This section shall not apply to an individual whose services are procured by the Institute pursuant to a written procurement contract.

"(3) This section shall not apply to employees of an entity performing services pursuant to a written contract with the Institute.".

SEC. ___5. ENDOWMENT FUNDS.

Section 302 of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1832) is amended—

(1) in subsection (a), by striking "section 333" and inserting in lieu thereof "section 331"; and

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) provides for the investment and maintenance of a trust fund, the corpus and earnings of which shall be invested in the same manner as funds are invested under paragraph (2) of section 331(c) of the Higher Education Act of 1965, except that for purposes of this paragraph, the term 'endowment fund' means a fund established by an institution of higher education or by a foundation that is exempt from taxation and is maintained for the purpose of generating income for the support of the institution, and may include real estate;"; and

(B) in paragraph (3) by striking "same" the first time such term appears.

SEC. ___6. STUDY.

The Secretary of the Interior shall conduct a study, in consultation with the board of regents of the Haskell Indian Junior College to evaluate the possible need for alternative institutional and administrative systems at Haskell Indian Junior College to support the transition of such college to a four year university. If the study's conclusions require legislation to be implemented, the study shall be accompanied by appropriate draft legislation. Such study shall be transmitted to the Committee on Indian Affairs of the Senate and the Committee on Education and Labor of the House of Representatives by June 1, 1995.

BACKGROUND

The education of about ninety percent of American Indian children is provided by the states through public schools in all fifty states. Most of the remaining ten percent of Indian children attend schools operated or funded by the Bureau of Indian Affairs on trust lands in 23 states.

The Indian Education Act was enacted in 1972, following an extensive review conducted by a Senate Special Subcommittee on Indian Education that had begun its work in 1969. On the basis of

what the Subcommittee called "a failure of major proportions" in the education of American Indians, the Act provided for new federal funding for supplemental programs in public schools to assist Indian students in reaching higher levels of achievement, special program for Indian adults, and the creation of the Office of Indian Education and the appointment of a National Advisory Council on Indian Education in the Department of Education. The basic features of the Indian Education Act remain unchanged today.

In fiscal year 1994, the Congress appropriated $79,785,000 for the Office of Indian Education. About two-thirds of the appropriation was allocated as formula grants for supplemental programs for Indian children in over 1,200 school districts. The remaining funds were allocated as competitive grants to school districts for planning and demonstration projects, fellowships or other professional development programs for Indians, and for administrative budgets for the Office of Indian Education and the National Advisory Council on Indian Education.

Direct provision of schooling for Indians by the national government was first authorized in 1775, but very few Indian children or adults were served. It wasn't until after the Civil War that the Federal government assumed an active and wider role in providing education to Indian children. Today, the Bureau of Indian Affairs operates or provides funding for 185 schools and dormitories on 63 reservations in 23 states. Ninety-four of the facilities are operated by tribal governments: 24 are operated under contracts as authorized by the Indian Self-Determination and Assistance Act of 1975, and 70 are operated with grants as authorized by the Tribally Controlled Schools Act of 1988. These schools, together with schools operated by the Bureau itself, enroll 45,186 students in grades kindergarten through twelve.

In fiscal year 1994, the Congress appropriated $394,393,000 for the operation of schools by the Bureau of Indian Affairs and by tribal governments with grants or contracts from the Bureau.

MAJOR PROVISIONS OF THE AMENDMENTS

Indian Education Act

The Committee on Indian Affairs accepted much of the Administration's proposal for the reauthorization of the Indian Education Act, including those provisions aimed at the implementation of the national goals and performance standards envisioned in GOALS 2000. Based upon testimony from Indian educators and organizations, however, the Committee has retained some provisions in existing law which the Administration proposed to delete and modified certain other provisions.

The Act would reauthorize the program of formula grants to schools enrolling Indian children, the major component of the Act, but would establish a minimum enrollment of ten students and grant of $4,000, the minimum level of funding the Committee believes necessary to conduct an effective program. Absent such a minimum grant requirement, which would have little effect upon grants to districts enrolling a larger number of Indian students, the smaller programs would have as little as $1,550 in fiscal year 1995. Consistent with the Administration's proposal, the Act authorizes

formula grants to be part of schoolwide programs, but the Committee's amendment limits such schoolwide use to those schools in which Indian students make up half of a school's enrollment and requires the concurrence of the school's parent committee.

A new provision affecting formula grant applications would require applicants to include a comprehensive plan for meeting the education needs of Indian and Alaska Native students. Such a plan would necessarily include a definition of a community's purpose of education and descriptions of academic goals, how funds from all sources would be coordinated to meet the needs of the students, what training would be afforded teachers who are new to working with Indian students, and what plans have been developed for assessment of student progress and for the dissemination of assessment results to parents. Other changes made by the Committee would require three-fourths of the members of each parent committee to the Indian parents, require an applicant Local Education agency (LEA) to conduct an assessment of Indian student needs, authorize tribal governments to apply for grants if an LEA does not do so, and delete a requirement that an LEA submit its application to a State Education Agency for review.

The Committee agreed with the Administration in deleting the overbroad "other organized groups" category from the list of entities whose members are eligible to participate in Indian Education Act programs, but in order that existing programs not be disrupted for tribes or bands whose final eligibility has not been established, the Committee's amendments provide authority to continue funding for current grantees.

The Committee accepted the Administration's proposed payback requirements in a slightly modified form for Indian Education Fellowship awardees, but on the basis of unanimous testimony by tribal educators and students, the Committee retained provisions in existing law that authorize competitive grants to be awarded to students, rather than accepting the Administration's proposal to replace direct grants to students with a program of grants to selected institutions of higher education. By all accounts, the existing fellowship program has been successful in increasing the number of Indians in professions. Noting the burden described by the Department in evaluating hundreds of applications annually for as few as fifty awards, the Committee has authorized, but not directed, the Secretary to contract with an independent organization to administer the program.

Given the unique and broad role that Indian Education Technical Assistance Centers provide not just to LEAs, but to tribal governments, tribal colleges, and other Indian organizations, the Act would reauthorize the six Indian Education Technical Assistance Centers. These Centers not only serve a broad array of organizations, but they provide continuing on-site assistance upon request, an activity not envisioned for the multiple purpose centers proposed by the Administration. That assistance is made possible by the locations of the Centers near concentrations of the Indian population—four are in the midwest or west, one is in Alaska, and only one is east of the Mississippi. Given the distribution of the general population to be served by the broad-based centers proposed by the Administration, such centers would likely be more distant from In-

dian populations and would likely result in a diminution of services.

Finally, to enable tribal governments to give leadership to the achievement of school reform and pursuit of the National Education Goals, the Act would authorize a new category of grants to assist such governments to plan and coordinate education programs within their jurisdictions. Such grants would assist tribal governments in providing the kind of leadership to school reform and improvement such as the governors of states are to provide.

Bureau of Indian Affairs education programs

The second category of amendments relate to education programs of the Bureau of Indian Affairs. As with the Committee's amendments to the Indian Education Act, the amendments are intended to advance school reform and the pursuit of the National Education Goals by making substantive changes to current law and by improving the administration of the Bureau's programs. A few, however, are merely technical amendments.

The Committee's amendments to GOALS 2000 are intended to modify provisions governing a study prescribed in the Act (with funding from a Department of Interior set-aside) and to take other actions consistent with GOALS 2000: The Educate America Act. The study, an analysis of the cost of providing educational programs in Bureau of Indian Affairs schools, would be performed by an organization having expertise in school finance, instead of by one of two institutions named in GOALS 2000, and to provide estimates of such cost for each of the succeeding three years. The contractor selected would also be directed to evaluate the feasibility of changing the system by which appropriated funds are distributed to the Bureau's 184 schools and dormitories. Another amendment would direct the Secretary of Interior to study whether contracting with a private school management firm for the operation of one or more schools should be considered. It would also authorize the Secretary to make small grants to Bureau schools, if requested by their school boards to enable them to consider such an approach for themselves or to enable them to explore becoming contract or grant schools. The final amendment of GOALS 2000 would authorize the Bureau to receive a grant from the Department of Education equal to the minimum afforded each state to enable the Bureau to plan for the use of educational technology in its schools, correcting what the Committee viewed as an oversight at the time GOALS 2000 was proposed.

The Committee's amendments would require the Bureau of Indian Affairs to review education standards adopted almost ten years ago and to revise such standards on the basis of provisions of GOALS 2000, and would direct the Secretary to encourage communities to adopt purposes of education to reflect community aspirations for the attributes it wants its children to possess. The amendments would also direct the Secretary to take steps to increase the number of counselors at boarding schools and to distribute school board training funds on a pro rata basis.

A number of improvements would be made in the Bureau's system of providing financial and other support to its schools. The amendments would require the Bureau to make payments to con-

tract and grant schools on July 1 and December 1 of each year, and to pay interest in the event payments were not timely made, and, further, to require that all amounts appropriated for school operations be distributed and not diverted to other Bureau programs. Tribally-operated schools administered with Bureau grants would be made subject to the same rule as schools operated under contracts with tribes with regard to audits and enrollment of non-Indians, and any disputes over grants would be handled as they are under the Indian Self Determination and Assistance Act. Bureau schools would be enabled by the amendments to retain up to fifteen percent of funds received in a fiscal year without fiscal year limitation to encourage prudent management of their funds and to enable improved planning for the following year.

A new provision for funding for Indian or Alaska Native language instruction would be authorized under the Committee amendments, subject to additional appropriations. Further, the amendments clarify that since Bureau-funded schools are not supported by state or local taxes, these federally-funded schools would be enabled to use such federal funds in any programs requiring matching funds.

Committee amendments also undertake to address the enormous backlog of needs for school construction. First, to give increased flexibility to grant and contract schools in making prudent choices on school renovation or replacement, the amendment would allow a tribal government to use improvement and repair funds for replacement school buildings if a tribal government paid for one-fourth of the total costs of the new construction. Second, to compel the Bureau to reply to applications by tribal governments for grants for facilities repair, a deadline would be imposed on the Bureau by providing that an application would be deemed approved if the Bureau took no action within six months.

An amendment included by the Committee would affect all tribally controlled community colleges by authorizing them to invest endowment funds subject to the criteria and limitations as other institutions of higher education. The amendment would avert the need for the colleges to withdraw funds presently invested and deposit such funds in lower interest earning accounts.

Finally, the Committee amendments include provisions affecting three specific institutions. The first would direct the Secretary to conduct a study analyzing whether alternative institutional or administrative systems should be considered for Haskell Indian Junior College, given its transition to a four-year college. The second would clarify that persons employed by the foundation established by the Institute of American Indian Arts are not employees of the Institute itself. The third would direct the Bureau of Indian Affairs to make payments to the Richfield Academy in Utah based upon the number of Navajo students who are obtaining their education at the Academy, in place of federal payments that would otherwise be made to Bureau or public schools on their reservations.

LEGISLATIVE HISTORY

On May 4, 1994, the Committee on Indian Affairs received testimony on provisions affecting American Indians in S. 1513, The following America's Schools Act, and H.R. 6, the version of the act ap-

proved by the House of Representatives on March 24, 1994. Based on the testimony received and letters from Indian education organizations and tribal governments, the Committee drafted the reauthorization of the Indian Education Act and amendments to statutes governing education programs of the Bureau of Indian Affairs.

COMMITTEE RECOMMENDATION AND TABULATION OF VOTE

On July 1, 1993, the Committee on Indian Affairs unanimously approved the amendments to S. 1513 and the amendments reported to the Senate and the recommendation that the Senate approve the amendments.

SECTION-BY-SECTION ANALYSIS

Findings and Purpose

Section 6001 sets out findings that underlie the Indian Education Act.

Section 6002 declares the purpose to be to help meet unique needs so that American Indians and Alaska Natives can achieve challenging State performance standards to be developed pursuant to GOALS 2000 and identifies the kinds of activities that will be authorized.

Part A.—Formula grants to local education agencies

Section 6101 declares the purpose of Part A as one of supporting Local Education Agencies (LEAs) in their reform efforts toward achieving the national goals.

Section 6102 authorizes grants to LEAs that enroll 10 or more Indian students or if such students constitute at least 25 percent of an LEA's enrollment; also provides that a tribal government may apply if an LEA declines to do so.

Section 6103 describes how the amount of grants will be calculated, authorizes grants for Bureau of Indian Affairs funded schools, describes how reductions would be made when appropriations are below the amounts authorized, and establishes a minimum grant of $4,000 for every program.

Section 6104 describes what information and commitments will be required of applicants seeking formula grants, including the role of the parent committee; provides that the parent committee shall have no less than a three-fourths membership of Indian parents.

Section 6105 describes permissible activities that may be supported with formula grants.

Section 6106 describes student eligibility forms and monitoring requirements.

Section 6107 provides for payments to LEAs and withholding of payment if a State fails to maintain fiscal effort.

Part B.—Special programs and projects to improve educational opportunities for children

Section 6201 provides for discretionary grants to State and Local Educational Agencies, Indian tribes and organization, BIA funded schools, Indian colleges, and consortia for projects that are to develop, test, and demonstrate the effectiveness of services and pro-

grams and describes the kinds of programs that could be carried out.

Section 6202 provides for grants to institutions of higher education and tribes, and Indian organizations, and educational agencies if in consortium with such institutions for the purpose of providing training as teachers, administrators, teacher aides, social workers, and ancillary educational personnel; also imposes service requirements or repayment of funds.

Section 6203 authorizes Fellowships to be awarded to Indian students for graduate studies and undergraduate studies in specified fields; imposes service requirements or repayment of award; also authorizes the Secretary to contract for the administration of the Fellowship program.

Section 6204 authorizes the Secretary to establish centers for gifted and talented Indian students at tribally controlled community colleges and to make grants to support demonstration projects at selected Bureau of Indian Affairs-funded schools.

Section 6205 authorizes the Secretary to establish regional centers to provide a wide range of technical assistance to Indian schools, tribal governments, and Indian organizations for the support of Indian education programs; also provides for an authorization of $8,000,000.

Section 6206 authorizes the Secretary to make grants to tribal governments to allow them to plan and develop organizations which would coordinate educational programs on their reservations, develop education codes, and for other purposes; provides also for an authorization of $3,000,000.

Part C.—Special programs relating to adult education for Indians

Section 6301 authorizes grants for adult education programs including planning, pilot, demonstration and research projects.

Part D.—National activities and grants to States

Section 6401 authorizes the Secretary to make grants to tribes and tribal organizations, State and local educational agencies, institutions of higher education, and other public and private organizations for research and evaluation in Indian education.

Part E.—Federal administration

Section 6501 establishes the National Advisory Council on Indian Education and describes its membership and duties.

Section 6502 authorizes the Secretary to use a peer review process for applications submitted for discretionary programs, professional development, and national activities.

Section 6503 requires the Secretary to give preference to applications of Indian tribes, institutions, and organizations.

Section 6504 limits the Secretary in making grants for discretionary programs and professional development to projects that are based on relevant research findings and are of sufficient size, scope, and quality.

Part F.—Definitions, authorizations of appropriations

Section 6601 provides definitions for the following terms: "adult," "adult education," "free public education," and "Indian."

Section 6602 authorizes $61,300,000 for Part A, $31,925,000 for Parts B through D, and $3,775,000 for Part E in fiscal year 1995, and such sums as may be necessary for each of the succeeding years through 1999.

[The following amendments should appear in title III of the Improving America's Schools Act of 1994]:

Section 343 establishes the Office of Indian Education and describes its membership and duties.

Section 344 repeals the Indian Education Act of 1988.

SECTION-BY-SECTION ANALYSIS

Amendments to Public Law 103–227

Section 1(a) authorizes and directs the Secretary of Interior to contract with an organization having expertise in school finance to conduct an analysis of the costs of operating Bureau of Indian Affairs funded schools and an analysis of alternative systems of financing such schools, authorizes the Secretary to conduct a study of feasibility of contracting with a private school management firm for the operation of one or more schools, and authorizes the Secretary to make grants to schools to enable them to explore options for operation of their schools

Section 1(b), directs the Secretary of Education to allocate $75,000 from funds appropriated for education technology planning to the Secretary of Interior to enable the Secretary to carry out planning for outlying areas and Bureau of Indian Affairs funded schools.

Amendments to Public Law 100–297

Section 2(a) authorizes tribal governments to use Facilities Improvement and Repairs funds for replacement construction if one-fourth of the total project cost is borne by the tribal government or other organization.

Section 2(b) requires the Secretary of Interior to act upon a request made by a tribal government to include facilities funding in a grant within six months by declaring the request deemed approved if the Secretary takes no action.

Section 2(c) requires the Secretary to make payments to grant schools by July 1 and December 1 of each year, conforming the requirement to forward funding of the Indian School Equalization Program, and authorizes payment of interest to the schools in the event of late payments.

Section 2(d) requires the Secretary to raise any audit questions of a grant school within one year of the filing of an audit report, the same limitation imposed upon the Secretary with regard to contract schools.

Section 2(e) authorizes all disputes arising over grants, not just disputes over funding, to be handled as they are under P.L. 93–638.

Amendments to Public Law 95–561

Section 3(a) directs the Secretary of Interior to revise standards relating to Bureau of Indian Affairs schools to incorporate GOALS 2000 and to encourage communities to adopt purposes of education

which reflect each community's aspirations for the attributes it wants its children to possess.

Section 3(b) requires the Secretary to take such steps as are necessary to increase the availability of counselors in off-reservation boarding schools by January, 1996.

Section 3(c) provides that funds made available for school board training be distributed on a pro rata basis among recipient organizations.

Section 3(d) authorizes an additional Weighted Student Unit value of 0.25 for Native language enrollees in Bureau funded schools, subject to additional appropriations.

Section 3(e) authorizes the enrollment of non-Indians at grant schools (consistent with existing law allowing their enrollment at contract schools) and the collection of tuition.

Section 3(f) authorizes Bureau operated schools to retain up to 15 percent of funds allotted to them without fiscal year limitation.

Section 3(g) authorizes and directs the Secretary to make payment under the Indian School Equalization Programs for out-of-state students attending the Richfield Academy in Utah.

Section 3(h) requires the Secretary to distribute all amounts appropriated for the Indian School Equalization Program and publish notice of allotment amounts on July 1 and October 30.

Section 3(i) authorizes the Secretary to give the products of student project to students attending Bureau operated schools.

Section 3(j) authorizes the use of federal funds received by Bureau funded schools to be used as matching funds when required by other federal programs.

Amendments to other laws

Section 4 amends the Higher Education Amendments of 1986 by clarifying that employees of the foundation established by the Institute of American Indian Arts are not employees of the Institute.

Section 5 amends the Tribally Controlled Community College Assistance Act of 1978 to clarify that tribal colleges may invest endowment funds subject to the criteria as other institutions of higher education.

Section 6 directs the Secretary to conduct a study evaluating the possible need for alternative institutional and administrative arrangements at Haskell Indian Junior College to support the transition of the College to a four-year institution.

COST AND BUDGETARY CONSIDERATION

The cost estimate for the Indian education amendments to S. 1513, as provided by the Congressional Budget Office, is set forth below:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 14, 1994.

Hon. DANIEL K. INOUYE,
Chairman, Select Committee on Indian Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for two amendments to S. 1513, the Improving America's Schools Act of 1994, as ordered reported by the Senate Select Committee on Indian Affairs on July 8, 1994. The amendments would revise the authorization of Indian education programs in the Department of Education and the Bureau of Indian Affairs. Enactment of the amendments would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to this bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: None.
2. Bill title: None.
3. Bill status: Two amendments to S. 1513, the Improving America's Schools Act of 1994, as ordered reported by the Senate Select Committee on Indian Affairs on July 8, 1994.
4. Bill purpose: To extend for five years the authorization of appropriations for the Indian education programs under the Elementary and Secondary Education Act of 1965, and to revise the authorization of the Indian education programs under the Bureau of Indian Affairs.
5. Estimated cost to the Federal Government:

FEDERAL GOVERNMENT COSTS

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Formula grants to local educational agencies					
Estimated authorization of appropriations	61	63	65	66	68
Estimated outlays	7	49	62	65	66
Special programs and national activities					
Estimated authorization of appropriations	32	33	34	35	36
Estimated outlays	4	26	32	34	35
National Advisory Council on Indian Education					
Estimated authorization of appropriations	4	4	4	4	4
Estimated outlays	4	4	4	4	4
Grants for evaluation and technical assistance					
Authorization of appropriations	8	8	8	8	8
Estimated outlays	1	6	8	8	8
Grants for tribes for educational administrative planning and development	3	3	3	3	3
Estimated outlays	(1)	2	3	3	3
Study of Haskell Indian Junior College					
Estimated authorization of appropriations	(1)	.....	.....	.....	.....
Estimated outlays	(1)	.....	.....	.....	.....

FEDERAL GOVERNMENT COSTS—Continued

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Total authorization of appropriations					
Estimated authorization of appropriations	108	111	113	116	119
Estimated outlays	16	88	108	113	116

[1] Less than $500,000

Note.—Details may not add to totals because of rounding

The costs of these amendments fall within budget function 500.

Basis of Estimate: The two proposed amendments would revise the authorization of Indian education programs in the Department of Education and the Bureau of Indian Affairs of the Department of the Interior. The amendment for the Department of Education programs would also extend the authorization of appropriations of Indian education programs for five years. Appropriations for the Bureau of Indian Affairs programs are permanently authorized at such sums as may be necessary.

Indian Education in the Department of Education.—For Formula Grants to Local Educational Agencies (LEAs), Special Programs and National Activities, and the National Advisory Council on Indian Education, the amendment would authorize a specific amount for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years. CBO estimates authorization levels in these later years by adjusting the 1995 amount for projected inflation. Two programs, the Grants for Evaluation and Technical Assistance and the Grants to Tribes for Educational Administrative Planning and Development are authorized at specific amounts for fiscal years 1995 through 1999. Outlays are estimated by considering historical spending patterns of these and similar programs. Estimated outlays assume full appropriation of the authorized amounts.

Indian Education in the Bureau of Indian Affairs.—The amendment revising the Bureau of Indian Affairs education programs authorizes a study of Haskell Indian Junior College to evaluate the need for alternative institutional and administrative systems at the college to support the transition of the college to a four-year university. The Secretary of the Interior would be required to complete the study by June 1, 1995. The Snyder Act (25 U.S.C. 13) permanently authorizes Indian education programs in the Bureau of Indian Affairs at such sums as may be necessary. This newly authorized study would increase the authorization of appropriations under that act. CBO estimates the cost of the study to be less than $500,000.

6. Pay-as-you-go considerations: None.

7. Estimated cost to State and local governments: None.

8. Estimate comparison: None.

9. Previous CBO estimate: None.

10. Estimate prepared by: Dorothy Rosenbaum.

11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires each report accompanying a bill to evaluate the regulatory and paperwork impact that would be incurred in carrying out the bill. The Committee believes that the Indian education amendments to S. 1513 will have minimal impact on regulatory or paperwork requirements.

EXECUTIVE COMMUNICATIONS

Although copies of the amendments to S. 1513 were provided to both the Department of Education and the Department of Interior, neither department provided a formal response. Informal communications from the Department of Education have made the Committee aware that the Department opposes reauthorization of the existing Indian Education Technical Assistance Centers, preferring that the functions of such Centers be carried out by regional multipurpose centers.

CHANGES IN EXISTING LAW

Section 12 of rule XXVI of the Standing Rules of the Senate requires that proposed changes in existing law to be made by a reported bill be enumerated in the report. In the opinion of the Committee, it is necessary to dispense with the requirements of this subsection to expedite the business of the Senate.